

# RETURN

To an Address from the House of Commons, dated 18th November, 1867 ;  
for Correspondence, Report of Proceedings and other documents, in  
possession of the Government relative to Hudson's Bay Territory.

By Command.

HECTOR L. LANGEVIN,

*Secretary of State.*

DEPARTMENT OF THE SECRETARY OF STATE,  
OTTAWA, 2nd December, 1867.

RETURN TO AN ADDRESS of the House of Commons, dated 18th November, 1867 ; for  
" Correspondence had with Her Majesty's Imperial Government on the Hudson's Bay Com-  
pany, by the Government of the late Province of Canada and of the Dominion, in relation to  
the extinction of the Hudson's Bay Company's claims over the North-West Territory, and  
the acquisition of said Territory by the Government of Canada, together with a Report of  
Proceedings taken by or communications made to the Government with reference to opening  
up communications with Red River Settlement, with Copies of all Orders in Council, and  
other documents in possession of the Government bearing on the question."

OTTAWA, 2nd December, 1867.

## SCHEDULE.

1. Lord Monck to Mr. Cardwell, No. 166, 16th August, 1865.
2. Mr. Kirkwood to Sir J. Michel, 13th December, 1865.
3. Mr. Godley to Mr. Kirkwood, 18th December, 1865.
4. Mr. Cardwell to Lord Monck, No. 18, 24th February, 1866.
5. Mr. Cardwell to Lord Monck, No. 20, 3rd March, 1866.
6. Mr. Cardwell to Lord Monck, No. 34, 2nd April, 1866.
7. Lord Monck to Mr. Cardwell, No. 68, 23rd June, 1866.
8. Lord Carnarvon to Lord Monck, No. 15, 1st August, 1866.
9. Lord Monck to Lord Carnarvon, No. 124, 18th August, 1866.
10. Lord Carnarvon to Lord Monck, No. 48, 8th September, 1866.
11. Lord Carnarvon to Lord Monck, No. 74, 29th September, 1866.
12. Mr. Godley to Mr. Spence, 20th October, 1866.
13. Sir J. Michel to Lord Carnarvon, No. 22, 11th February, 1867.
14. Sir J. Michel to Lord Carnarvon, No. 30, 22nd February, 1867.
15. Order in Council of 18th June, 1867.
16. The Duke of Buckingham to Lord Monck, No. 76, 23rd August, 1867.
17. Report of Mr. J. W. Bridgland.

*Lord Monck to Mr. Cardwell.*

(Copy.—No. 166.)

GOVERNMENT HOUSE,  
Quebec, 16th August, 1865.

SIR,—I have the honour to transmit for your information copies of papers relating to the

opening up of the North-West Territory to settlement and legislation, which I have caused to be laid before both Houses of the Legislature of Canada.

I have, &c.,

(Signed,)

MONCK.

The Right Honorable

E. Cardwell, M. P., &c., &c.,

Secretary of State.

*Mr. Kirkwood to Sir J. Michel.*

(Copy.)

Ottawa, 13th Dec., 1865.

SIR,—In the year 1858, I had the honour to submit to Lord Stanley, then Secretary of State for the Colonies, a plan for opening communication with the Red River, and for the construction of the Ottawa and Huron Ship Canal.

The plan was substantially as follows:—That the road and canal be built by a Company with the aid of a land grant of forty millions of acres in the neighbourhood of the Saskatchewan River, such grant to be arranged for with Hudson's Bay Company in any cession of its territory.

Looking at the scheme from any point of view, it seems a good one. Commercially, industrially, and for defence and the maintenance of Union with Great Britain, it will work well.

I have, &c.,

(Signed,)

A. KIRKWOOD.

His Excellency Lieut-General

Sir John Michel, K.C.B., &c., &c.

*Mr. Godley to Mr. Kirkwood.*

(Copy.—No. 12,128.)

Montreal, 18th Dec., 1865.

SIR,—I am directed by His Excellency the Administrator of the Government to acknowledge with thanks the receipt of your letter of the 13th instant, on the subject of opening a communication with the Red River and the construction of the Ottawa and Huron Ship Canal.

I have &c.,

(Signed,)

DENIS GODLEY,

Governor's Secretary.

A. Kirkwood, Esq., &c., &c., &c.,  
Ottawa.

*Mr. Cardwell to Lord Monck.*

(Copy.—No. 18.)

DOWNING STREET,

24th February, 1866.

MY LORD.—I have the honor to transmit to Your Lordship a copy of a letter, with its enclosures from the Governor of the Hudson's Bay Company, relative to a proposal for purchasing such portion of the Company's Territory as may be capable of cultivation by a party of Anglo-American Capitalists.

6th February.

20th February.

I also enclose a Copy of a reply which I have returned to Sir Edmund Head.

I have, &c.,

(Signed,)

EDWARD CARDWELL.

Governor, the Right Honorable,  
Viscount Monck.

*Sir Edmund Head to Mr. Elliot.*

(Copy.)

HUDSON'S BAY HOUSE,  
London, 6th February, 1866.

SIR,—I have the honor to enclose certain papers for the information of the Right Honorable the Secretary of State.

A.—Extract from a letter addressed to the Secretary of the Hudson's Bay Company by William Mactavish, Esq., Governor of Rupert's Land, dated Nov. 13th, 1865.

B.—Copy of a letter addressed to Secretary of Hudson's Bay Company, by Mr. Alexander McEwen, dated January 18th, 1866.

C.—Copy of answer to the same, sent by order of the Governor and Committee, and dated January 14th, 1866.

With regard to Mr. Mactavish's letter it will be observed that Vermilion Lake is in the United States Territory, a little South of Rainy Lake.

I have, &c.,

(Signed,)

EDMUND HEAD.

T. F. Elliot, Esq.,  
Colonial Office.

(Copy.)

*Extract of a Letter from Wm. Mactavish, Esq., Governor of Rupert's Land to Thomas Fraser, Esq., Secretary, dated Fort Garry, Red River, 13th November, 1865.*

"An alleged discovery of Gold in American Territory near Vermilion Lake, in the Lake Superior District, has created considerable excitement at St. Paul. The gold is in quartz and slate rocks, which it is expected by some new process will be easily washed without machinery. It is said that the gold-bearing rocks across the country will be found in the Company's Territory near Lac La Pluie. I have no means of deciding how much credit is to be given to the accounts, but there is no doubt some truth in them, though I dare say speculators will make the most of it."

*Mr. McEwen to Sir E. Head.*

(Copy.)

5, NICHOLAS LANE, LOMBARD STREET, E. C.,  
London, 18th Jan., 1866.

SIR,—Will you permit me to enquire, on behalf of self and friends, whether the Hudson's Bay Company is at liberty and is willing to dispose of its cultivable territory to a party of Anglo-American capitalists, who would settle and colonize the same on a system similar to that now in operation in the United States, in respect to the organization of Territories and States?

If so perhaps you will state whether you are also ready to make or to receive, with the intention of business, a proposition for the absolute sale of the same.

I have, &c.,

(Signed,)

ALEX. MCEWEN.

Sir Edmund Head, Governor,  
Hudson Bay Company, Fenchurch Street.

*Mr. Fraser to Mr. McEwen.*

(Copy.)

HUDSON'S BAY HOUSE,  
London, 24th January, 1866.

SIR,—Your letter of January 18th, was received and laid before the Governor and Committee at their meeting on the 23rd inst.

I am directed by them in reply to inform you that they are quite ready to entertain and consider favourably any proposal for purchasing a portion of the Company's Territory for the purpose of colonization.

With respect to the organization of the Territory to be settled, the Hudson's Bay Company would be desirous of facilitating such organization by the exercise of any power which they lawfully possess. As Rupert's Land is a British Colony, the concurrence of Her Majesty's Government on the part of the Crown would be necessary in the establishment of any Government; but the Governor and Committee see no reason to suppose that any obstacle would arise on this account.

I am, &c.,  
(Signed,)

THOMAS FRASER,  
Secretary.

Alex. McEwen, Esq.

*Mr. Forster to Sir Edmund Head.*

(Copy.)

DOWNING STREET,  
20th February, 1866.

SIR,—I am directed by Mr. Secretary Cardwell to acknowledge the receipt of your letter of the 6th inst., enclosing a copy of one addressed to you by Mr. McEwen, enquiring if the Hudson's Bay Company are willing to dispose of such portion of their Territory as is capable of cultivation to a party of Anglo-American capitalists.

You also enclose a copy of the reply which the Company have returned to this enquiry.

Having regard to the reference you have made in your letter to the probable concurrence of Her Majesty's Government in the establishment of some new government, Mr. Cardwell is desirous of reminding you that at the conferences which took place during last summer, between the Canadian Ministers and certain Members of Her Majesty's Government, the Provincial Ministers expressed their desire that the North Western Territory should be made over to Canada, and they undertook to negotiate with the Hudson's Bay Company for the termination of their rights, on condition that the indemnity, if any, should be paid by a loan to be raised by Canada under the Imperial guarantee. To this proposal, Her Majesty's Ministers assented, engaging that if the negotiation should be successful, they, on the part of the Crown, being satisfied that the amount of the indemnity was reasonable, and the security sufficient, would apply to the Imperial Parliament to sanction the arrangement, and guarantee the amount.

Until this engagement shall have been disposed of, it will be necessary for Her Majesty's Government to keep it in view in any steps which they may be called upon to take in the matter.

I am, &c.,  
(Signed,)

E. E. FORSTER.

Rt. Honorable

Sir E. Head, Bart., &c., &c.

*Mr. Cardwell to Lord Monck.*

(Copy.—Canada, No. 20.)

DOWNING STREET,  
3rd March, 1866.

MY LORD,—With reference to my despatch of the 24th ultimo, No. 18, forwarding copies of a correspondence between the Governor of the Hudson's Bay Company and this Office on the subject of a proposal addressed to that Company by Mr. McEwen, for the purchase of a portion of the Hudson's Bay Company's Territory in British North America, I have the honour to transmit to Your Lordship a copy of the reply which Sir Edmund Head has returned to the letter written to him by my direction on the 20th ultimo.

I have to request that Your Lordship will communicate this reply of Sir Edmund Head to your confidential advisers, and state that I shall be glad to be favored with their wishes on the subject of the proposed purchase by Canada of the rights of the Hudson's Bay Company.

I have, &c.,  
(Signed,)

EDWARD CARDWELL.

Governor Viscount Monck.

*Sir Edmund Head to Mr. Forster.*

(Copy.)

HUDSON'S BAY HOUSE,  
London, March 1st, 1866.

SIR,—I have the honour to acknowledge your letter of the 20th instant.

I beg to assure the Secretary of State that the Committee of the Hudson's Bay Company have never lost sight of the fact, that an arrangement for transferring their rights to Canada was contemplated as possible, although no action or engagement has been yet taken on the part of the Company, except so far as to express a readiness to consider any offer which may be made.

The letter to Mr. McEwen intended only to say that the Company would be ready to exercise its lawful powers for the protection of Colonists, and the organization of a settlement in their territory. If those powers shall have been previously purchased by Canada, or assumed by Her Majesty's Government their exercise will not be needed, because there will then be another government in existence. If such powers were still in the hands of the Company, the Committee ventures to think that the Right Honorable the Secretary of State would probably concur in any lawful exercise of them which might be necessary for the good of settlers.

Irrespective of any question of the Government of the Territory, the Committee presume that they are at the present time in nowise hampered in the disposal of their private property in lands by sale. At the same time I would venture most respectfully to enquire for how long a period the option, if it may be so called, which has been given to Canada, is supposed to remain open.

On the 29th June, 1865, I assured the Secretary of State of our readiness to consider any offer made in pursuance of the agreement between Her Majesty's Government and the Canadian Deputation. Since that time, so far as the Committee know, the only step taken has been the publication of a report made to the Governor General of Canada, by one of the deputation, in which, as it appears to the Committee, the rights of the Company are disputed, and the value of its property systematically depreciated.

If indeed the action of the Company with reference to its rights of private property (as distinguished from its rights of government), is in any degree fettered or suspended by the existence of the agreement of Her Majesty's Government with that of Canada, the question of delay, and the possibility of losing a favourable opportunity for sales may become a very grave one in a pecuniary point of view. This is more especially the case, because in the agreement the words "if any" are expressly inserted in connection with the proposed compensation.

So far therefore as that agreement is concerned, the Company, after all, may be held entitled to no compensation for their rights, public or private. It is difficult to see how a stipulation of this very contingent character not entered into by the Company themselves can, with any fairness, be considered as interfering with its right to deal with its own property.

It is scarcely necessary for me to say, that the final acceptance of any offer made by Canada or by any other party, would depend, not on the Committee, but on the body of shareholders to whom that property belongs.

I have, &c.,

(Signed,)

EDMUND HEAD,  
Governor.

To E. Forster, Esq., M.P.

*Mr. Cardwell to Lord Monck.*

(Canada, No. 34.)

DOWNING STREET, 2nd April, 1866.

MY LORD,—I have the honor to transmit to Your Lordship, a copy of a letter from 6th March, 1866. Mr. George Barnston, covering a Memorial addressed to me, by himself and other retired Chief Factors of the Hudson's Bay Company.

I have to request that you will acquaint the memorialists that their petition has reached

me, and that it ought to have been forwarded through the Governor of the Province where they are residing, but that the subject to which it relates is one in which I cannot take any part, as Her Majesty's Government cannot interfere in the internal affairs and arrangements of the Company.

I have, &c.,  
(Signed,)

EDWARD CARDWELL.

Governor, The Right Honorable Viscount Monck,  
&c., &c., &c.

*Mr. Barnston to Mr. Secretary Cardwell.*

(Copy.)

MONTREAL, 6th March, 1866.

SIR,—In forwarding the enclosed petition and explanatory documents, it may be observed that some time has elapsed in procuring the signatures from different parts of Canada. The petitioners humbly present the whole for Your Lordship's serious consideration. The reply which may be returned can be addressed to either Mr. Miles, of Honingtoft, Brockville, C. W., or Mr. Barnston, 4 Inkerman Terrace, Montreal.

I have, &c.,  
(Signed,)

GEORGE BARNSTON.

The Right Honorable Edward Cardwell, M.P.,  
&c., &c., &c.

(Copy.)

*List of Papers for the Right Honorable Mr. Cardwell, Secretary of State for the Colonies.*

1. Letter of Retired Chief Factors to the Board of the old Hudson's Bay Company in 1863, and reply of the Board.
2. Letter of retired Chief Factor Miles, to A. G. Dallas, Esquire, with concurring signatures, and Secretary Fraser's reply, with resolution of the Hudson's Bay Board on the subject being submitted to them.
3. Also extract from a Minute (Deed following thereon) at a Court of the proprietors of Hudson's Bay Stock, of date 7th March, 1834, shewing that the 40 shares of the profits belonging to the Fur Trade, by the Deed Poll, were in a co-partnership, being "saved and accepted" from a dissolution that had then lately taken place.
4. Memorial and Petition to the Right Honorable Edward Cardwell.
5. Note to ditto.

*To the Right Hon. Ed. Cardwell, M.P., Secretary of State for Her Majesty's Colonies.*

1. The enclosed copies of letters, which the undersigned have the honor of bringing under Your Excellency's notice, will explain to you the reasons for our addressing you as Minister for the Colonies.

2. For a short time we beg to occupy your attention with our affairs, connected with those of the Hudson's Bay Company, as we hold retired interests in their business, as Chief Factors of the Fur Trade, in which employment all the best portion of our lives have been spent.

3. That the trusts committed to the gentlemen of the Fur Trade have been well and faithfully fulfilled, we have only to refer you to the declared testimony of every person of repute who has ever passed through the Indian country of North America; and more particularly to the evidence given before the Committee of the House of Commons, appointed to investigate the affairs of the Hudson's Bay Company in the year 1857. It will appear, by the report of the proceedings of that Committee, of which the present Prime Minister and the present Chancellor of the Exchequer, were members, that the unvaried evidence of such men as Colonel Lefroy, R.A., Colonel J. T. Crofton, and the late Sir John Richardson, (all serving under Her Majesty's Government) went to show that the Fur Traders were a most deserving class of Her Majesty's subjects. They were, also, by Governor Sir George Simpson's evidence, considered "Partners" in the Hudson's Bay concern.

4. The Fur Trading Body, besides under the name of the North-West Company, had

explored and settled posts in all the central, northern and western portions of the Fur countries, thus bringing them under British sway; and the present Fur Trade, with your petitioners lately retired from its active duties, have held the same country in peace and good management ever since they entered into the charge left to them by their predecessors; for all which they are ready to meet any scrutiny that may be required by Her Majesty's Government or the Legislature of the Realm.

5. In the present state of selling and change of the Hudson's Bay Company's affairs, we consider it required by justice, likely to prevent further evil, and tending towards a wiser and impartial course to place our interests under the immediate protection of Her Majesty's Government, we feel assured that better consideration will be had from it than from any board in Fenchurch Street. The old Company sold their "Perpetual Succession," and us along with it suddenly, and without previous notice to the Governor of the Territories or to the Trade, and by that act introduced a most disturbed state of feeling and business. General distress arose from the breach of the long-acknowledged understanding of the relations subsisting between the Company in London and the Trading Body on this side. The latter was treated as menials who could be transferred, wholesale, without explanation or notice, to different concerns, seeking objects not before contemplated in the business, objects likely to affect the Fur Traders more than any shareholders at home. Yet the home shareholders were given the opportunity of retiring with a high premium, while the Trade was forced to chew the cud in silence under the new order of things.

6. We would have apprised the late Duke of Newcastle of this danger, but a letter of assurance from the old Board, of which copy is herewith enclosed, lulled us into security, and enabled that concern to compass its purpose without representation on our part. Thus not one word of objection, as far as we can learn, reached the ears of the Duke. Her Majesty's Government we believe would most willingly, as it could most easily, have seen that our representations were attended to. Unfortunately for us, the Secretary for the Colonies was prevented from gaining any information except from one source.

7. After the unexpected result of the transfer, we were in expectation that through Governor Dallas, the representative of the Company, and the sub-representative of Royalty in the Indian Countries, we should have obtained a settlement with the new concern, but Your Excellency will perceive by the enclosed correspondence that these, our well-grounded hopes have failed, and that Governor Dallas' suggestions were disregarded by the present board. His knowledge of the country, and intimate acquaintance with the relations that existed between the Fur Trade and the Company will, we trust, have proper weight with Her Majesty's Government, and render his suggestions available to us.

8. Observing that the present shareholders are again seeking purchasers for their perpetual succession charter, government and trade, and that one of their number, in a late pamphlet, declares that they are "entitled to look for the highest bidder, whether British, Canadian, American, or Russian;" we, your petitioners, humbly enter our protest to Her Majesty's Government against such principles. We have full confidence in the disposition of Government to listen to our claims, seeing that our feelings and interests are concerned in the fate of the interior of this country. We are bound in honor and allegiance to resist the ideas and action of the shareholders, thus fully developed; and are constrained, also, to defend ourselves against the crushing, disloyal, and aggressive system secretly operating against us and the welfare of the State.

9. By the report of the last general meeting of the Hudson's Bay Board and Company, we learn that Sir Edmund Head informed the shareholders that their affairs were before Government. In this state of matters, we have additional reason for supposing that Her Majesty's advisers will approve of our furnishing them with information regarding the claims and position of all parties in the Indian country. Full knowledge on these points cannot fail to be of benefit in adjusting thoroughly and properly the difficulties that have thickened around the policy of protecting exclusive rights and institutions.

Government now sees that protected privileges are become a matter of reckless and unprincipled speculation. We seek not to sell British territory, which we have so long cared for, to either Americans or Russians; but we seek fair hearing and fair play, which

are much more consonant with British honor, the name of our country, and the interests of our beloved Queen's Empire.

Tendering our best wishes,

We remain, &c.,

(Signed,)

ROBERT S. MILES,  
WILLIAM SINOLAIR,  
JAMES ANDERSON,  
GEORGE BARNSTON,  
JOHN SWANSTON,  
*Retired Chief Factors.*

(Copy.)

1. Letter from Retired Chief Factors of the Fur Trade to the Governor, Deputy Governor, and Committee of Hudson's Bay Company.

MONTREAL, 28th January, 1863.

GENTLEMEN,—Rumours, assuming daily more consistency and the appearance of being founded on facts, have reached us that negotiations are pending between the Imperial Government and the Hudson's Bay Company, for the surrender of the chartered rights of the Company, with a view to the opening up of their territory for settlement. Those negotiations, it is reported, have proceeded so far, that it is only now a question of the amount of indemnity to be paid for the surrender.

The Fur Trade in which we are partners, is based on the Charter, its surrender would, by leading to the loss of that trade, seriously affect our pecuniary interests. We, therefore, trust you will pardon the anxiety ~~we feel~~ to learn whether, in the reported negotiations, the claims of the wintering partners in the concern have received that consideration to which we consider they are justly entitled.

Our interests are at present left unrepresented, but we may find it desirable to make arrangements for supplying that defect. In the meantime, we shall be glad to receive from you, at your early convenience, such information on these important matters, as you feel at liberty to communicate.

We have, &c.,  
(Signed,)

GEORGE BARNSTON, C.F.  
WILLIAM SINOLAIR, C.F.  
JOHN SWANSTON, C.F.  
JAMES HARGRAVE, ret. C.F.  
ROBERT MILES, ret. C.F.  
JAMES ANDERSON, ret. C.F.

The Governor, Deputy Governor,  
and Committee,  
Honorable Hudson's Bay Company, London.

2. REPLY FROM THE BOARD.

(Copy.)

HUDSON'S BAY HOUSE,  
London, 27th February, 1863.

GENTLEMEN,—I am directed by the Governor and Committee to acknowledge the receipt of a Memorial (forwarded through Mr. Chief Factor Barnston), dated Montreal, 28th January, 1863, under date 7th February.

In reply, I have to state that communications have passed between the Company and Her Majesty's Secretary of State for the Colonies, on the subject of the surrender of the whole, or a part, of the lands held under the Charter; but that it is utterly at variance with the facts of the case, that "the only question remaining unsettled is the amount of indemnity to be paid for the surrender." On the contrary, the Governor and Committee have reason to believe that Her Majesty's Government have no intention of preferring any vote in Parliament for such a purpose.

The Governor and Committee are at a loss to conceive how the interests of the Com-



missioned Officers of the Company can be considered as unrepresented, and I am directed to express their surprise that such a statement should have emanated from gentlemen who have so long been connected with the service; and who ought to be satisfied that now, as ever, the Governor and Committee consider themselves equally bound to protect the interests of the Fur Trade as those of the proprietors.

The Chief Factors and Traders, whether on the active or retired list, may rest assured that should any surrender of the Charter be made, of which at present there is not the least probability, their interests will be at least as carefully protected by the Governor and Committee as they could be by any arrangements such as are shadowed forth in the Memorial.

In all the communications with the Colonial office, in the evidence before the Committee of the House of Commons, and in any declaration made in the two Houses of Parliament by any friends of the Company, it has been invariably stated that should the Company surrender their Chartered Rights they would expect compensation for the officers and servants as well as to the proprietors.

Under these circumstances, the Governor and Committee while admitting the right of the memorialists to make enquires as to regulations supposed to affect their pecuniary interests, cannot refrain from expressing their regret that in the present instance they should have affixed their name to this document upon anything so unreliable as mere newspaper reports.

I am, &c.

(Signed,) THOMAS FRASER,  
Secretary.

George Barnston, Esq.,  
Wm. Sinclair, Esq.,  
John Swanston, Esq.,  
James Hargrave, Esq.,  
Robert S. Miles, Esq.,  
James Anderson, Esq.

Mr. Miles to Mr. Dallas.

(Copy.)

BROCKVILLE, 14th August, 1867,

SIR,—I am in receipt of my account current from the Hudson's Bay House of date 1st June last, and am somewhat surprised at not receiving therewith any communication respecting the proposition made by you when in Brockville two years ago, in your capacity of Governor in Chief of the territories and settlements of the Hudson's Bay Company, for the final settlement by them with the retired officers of the Company, which by you at that period was thought desirable, from the various changes that would and must occur under the new arrangements of the concern. The proposition agreed upon and accepted by us to be made was on a last ten year's average of the  $\frac{1}{25}$ th dividends of the concern, which, commencing with the outfit 1853 and ending with the outfit 1862, give £426 5s. 6 $\frac{3}{4}$ d. The transfer of the Company took place in 1863, and whether you wait for the completion of that outfit to commence with outfit 1854 and end with the outfit 1863, by the tenor of the first dividend of 1863, and taking into consideration the returns which must have remained in the south from the loss of the ships, the result cannot vary much from this statement, viz.:

	£	s.	d.
$\frac{1}{25}$ Outfit, 1853.....	335	12	3
" 1854.....	690	18	2
" 1855.....	872	10	1
" 1856.....	339	9	5 $\frac{1}{2}$
" 1857.....	479	3	9
" 1858.....	476	15	0 $\frac{1}{2}$
" 1859.....	259	11	3 $\frac{1}{4}$
" 1860.....	248	1	8
" 1861.....	207	8	6
" 1862.....	353	5	1
Ten years.....	£4,262	15	3 $\frac{1}{4}$
Average.....	£426	5	6 $\frac{3}{4}$

I therefore, as also do those of the undersigned retired officers, who have requested me to write to you thereon, wish to know, without reserve, if the Company close with us on these terms.

When the country on the west side of the mountains was claimed under Treaty by the American Government, the Northern and Southern Councils were advertised by our departed late friend, Governor Sir George Simpson, that a claim of one million pounds sterling would be made on that Government for the possessory rights acknowledged by Treaty, and that the proportion thereof would accrue to the commissioned officers conformable to their interests. We now see that the claims of British Companies on the American Government have been awarded as follows:—To the Bay Company \$4,000,000, and the Puget's Sound Agricultural Company \$1,100,000. We therefore beg to submit that our claim on the former is not cancelled by the transfer of the old Company to its present possessors.

In reference to the affairs of the Puget's Sound Agricultural, those of us who held stock in that concern, and from its commencement only received two small dividends, rested satisfied that the agents then appointed by us, or their successors, would see us righted under whatever settlement the United States Government would make. When the Secretary of the Company asked us to dispose of our shares at par without interest, we think he should at the same time not have kept us in utter ignorance of the claims that would be submitted to the American Government therefor; and we are surprised we should have been treated in this ambiguous manner, after the solicitude held out by the Company to the officers of the Company at the period of its formation, of which I have copies in my possession. The Secretary of the Company, however, has now our *stamped* receipts, which deprives us of further claim, but which, at the same time, we look upon as a most illiberal transaction by the individuals that took this ungenerous advantage of our position.

The late Directors were very indignant (*vide* their letter of the 27th February, 1863,) that the retired officers should have even considered them unmindful of their interests, and even went so far as to tell us that there was no idea of a transfer of the concern being made; how these assertions have been verified the present Company can tell.

You are still, Sir, connected with the Company, and I await an early reply.

(Signed,)

I remain, &c.,

ROBERT S. MILES.

A. G. Dallas, Esq.

We the undersigned hereby subscribe and concur with the expression of the sentiments hereinbefore set forth in our behalf and at our request.

(Signed,)

WILLIAM SINCLAIR,  
GEORGE BARNSTON,  
JOHN SWANSTON.

(Copy.)

HUDSON'S BAY HOUSE,  
London, 16th November, 1865.

GENTLEMEN,—I am directed by the Governor and Committee to acknowledge receipt of your letter of the 26th October, transmitting copy of a letter addressed to Mr. A. G. Dallas, on the 14th August last, by retired Chief Factor Miles, to which you say you have received no answer, and which you now submit to the Board, and request a distinct and early reply.

Your letter having been taken into consideration at the meeting of the Board, held on Tuesday, the 14th instant, the following resolution was unanimously agreed to:—

"Resolved, That the Governor and Committee decline to entertain the request of the gentlemen who sign this letter—no authority whatever was given to make any offer or proposal such as is recited by them—that at the time when the Governor and Committee offered to purchase the Puget's Sound shares referred to in their letter, no fresh action whatever had been taken by them with reference to the claim of the United States Go-

vernment. The offer was made in perfect fairness and good faith, and was accepted voluntarily by the parties concerned."

I am, &c.,  
(Signed,)

THOMAS FRASER,  
Secretary.

To Messrs. R. S. Miles,  
Wm. Sinclair,  
George Barnston,  
John Swanston,  
*Retired Chief Factors, H. B. Company.*

### 3. EXTRACT.

At a Court of Proprietors of Hudson Bay Stock, held at the Hudson's Bay House, on Friday, the 7th March, 1834.

Whereas the co-partnership created by the Indenture of the 26th day of March, 1821, was thereby agreed to be continued for a term of 21 years, to end with the returns of the outfit 1841, has been some years passed dissolved (save and except so far as related to the 40 shares appointed by a deed poll of the same date, and hereinafter referred to), and the whole of the partnership, effects and concern are and have for some time centered wholly in the Governor and Company of Adventurers of England trading into Hudson's Bay, and the trade and concern thereof has been and still is carried on by them exclusively and for their own benefit, save and except, and without prejudice to the rights and interests of the persons entitled to the 40 shares under the said deed poll; and whereas it is deemed expedient that the said trade and concern shall be continued for an unlimited period.

(*Lord Monck to Mr. Cardwell.*)

(Copy No. 68.)

GOVERNMENT HOUSE,  
Ottawa, 23rd June, 1866.

SIR,—Referring to your Despatches (Nos. 18 and 20) of February 24th, and March 3rd, I have the honor to transmit, for your information and consideration, an approved Minute of the Executive Council of this Province, on the subject of the Hudson's Bay Territory.

I have, &c.,  
(Signed,)

MONCK.

The Right Honorable  
Edward Cardwell, M.P., &c., &c.,  
Secretary of State.

*Copy of a Report of a Committee of the Honorable the Executive Council, approved by His Excellency the Governor General in Council, on the 22nd day of June, 1866.*

The Committee of the Executive Council have given their careful consideration to the Despatches of the Secretary of State for the Colonies, bearing date the 24th February and 3rd March last, relative to a proposal made to the Hudson's Bay Company by a party of Anglo-American Capitalists, for the purchase "of such portion of the territory claimed by the Company, as may be capable of cultivation;" and they have the honor to submit to Your Excellency the following remarks on the subject:—

In the first place the Committee do not admit that the Company have a legal title to that portion of the North Western Territory which is fit for cultivation and settlement.

This fertile tract is a belt of land stretching along the Northern Frontier of the United States to the base of the Rocky Mountains, and Canada has always disputed the title of the Company to it.

Even if it be admitted that the Charter of 1670, recognized as it has been by several

Imperial Statutes, gives to the Company a freehold right in the soil in Rupert's Land, Canada contends that the cultivable tract in question forms no part of that land.

It is not now necessary to repeat the grounds on which this opinion is founded, as they have been already more than once submitted to Her Majesty's Government, and it is only alluded to lest silence on the subject might be assumed as an acquiescence on the part of Canada in the right of the Company to sell. Assuming, however, that such right exists, the Committee see grave objections to the proposition of Mr. McEwan being entertained. Canadian experience has shown that sales of large tracts of land to individuals, or Commercial Corporations, have operated prejudicially to the best interests of the Province and retarded rather than promoted its settlement and progress. Companies or individuals purchasing for the purpose of speculation, are governed solely by the one view of obtaining a profitable return of the money invested in the purchase. All other considerations are set aside. No general or comprehensive system of settlement is or can be established. The best tracts are withheld from settlement in order that their value may be increased by the improvement of the surrounding country, and by the labor of the settlers, and the price paid to the Company for the lands, instead of being expended in the opening up of roads and in developing the resources of the country, is divided among a number of non-resident shareholders having no interest in the prosperity of the country further than as such prosperity contributes to the value of their shares.

In the correspondence which took place in 1863 and 1864 between the Hudson's Bay Company and the Colonial Office, with reference to the introduction of the direct authority of Her Majesty's Government in Rupert's Land, it appears that the Company proposed as a condition of their assenting to the erection of a Crown Colony, that they should retain the ownership, in fee simple, of one-half of the lands of the Colony. This proposition was rejected by the Duke of Newcastle, in language which appears to the Committee to be conclusive.

"In an unsettled Colony there is no effectual mode of taxation for purposes of Government and improvement, and the whole progress of the Colony depends on the liberal and prudent disposal of its land. These considerations afford decisive reasons against leaving that land in the possession of a Corporation. And I am to observe that these objections, conclusive in any case, are greatly enhanced in the case of the Hudson's Bay Company, as I learn from your letter that it has been 'the unvarying opinion' of the Committee on whose behalf you speak that the Company would 'lose fully as much as they would gain, by the increase of settlement in the chartered Territory.'"

It is therefore, to say the least, a question whether the Company would not be under a direct inducement to use their proprietary rights to thwart the colonizing efforts of the Government. The conclusive objection to the scheme is that it would reproduce in a gigantic shape the inconveniences which, on a far smaller scale, were found intolerable in Canada. It is evident as a matter of reasoning, and notorious as a matter of fact, that the interposition of large blocks of property between tracts or districts of Crown Land must obstruct the opening up of those districts, unless it fortunately happens that the private proprietor is ready to expend money *pari passu* with the Government in the construction of roads and other improvements, and to conform his land policy to that of the authorities. It is also clear that Colonists of the Anglo-Saxon race look upon the Land Revenue as legitimately belonging to the community, and that the diversion of half or more than half of that revenue to the purpose of increasing the dividends of a private corporation would cause a continual and growing discontent, which could not be allayed by any abstract argument of right, and the full force of which the Government would be expected by the Company to sustain. His Grace cannot consent to make himself responsible for these consequences, and he is therefore obliged to treat as inadmissible any proposal for the proprietary partition of those territories which may be placed under the Government of the Crown."

If such objections exist to the tenure of large tracts of land by so ancient and responsible a Corporation as the Hudson's Bay Company, with large powers of Government, and a political as well as a Commercial Status, with how much greater pressure must they weigh against the transfer of such tracts to a private association of speculators.

The Committee are further of opinion that before any steps are taken to introduce a

large body of settlers into that country, provision should be made for the efficient administration of the Government there.

So long as the great North-West is only occupied by the Hudson's Bay Company's servants, and by the few scattered settlers at Fort Garry, the system of government now obtaining there may work sufficiently well, but whenever a large population shall settle in the country there is to be feared that the Company's power will be altogether insufficient to preserve order and good government, and that its authority will be set at naught.

It is evident that the old policy of exclusion of strangers from the Territory must shortly be at an end.

The neighbouring territories belonging to the United States are fast being settled up to the boundary line, and if the statements as to the existence of gold in the Valley of Saskatchewan be at all verified, there will, ere long, be an influx of population which no power that can be exerted by the Hudson's Bay Company can either resist or control. This population will mainly come from the United States, and although there may be a good many of Her Majesty's subjects among them, by far the greater portion will be aliens, ignorant and regardless of the laws of England, and perhaps hostile to the British Government. They will utterly disregard the authority of the Company, will endeavour to establish a government and tribunals of their own, and as similar bodies have done elsewhere on this continent, assert their political independence.

Such a community would sever the British North American possessions in twain, and be the means of retarding, if not altogether preventing, the formation of a Railway connecting the Atlantic and Pacific Oceans.

The future interests of Canada and all British North America are, therefore, vitally concerned in the immediate establishment of a strong Government there, and in its settlement as a part of the British Colonial System.

Impressed with this conviction, Canada would ere this have opened negotiations with the Hudson's Bay Company for the extinction of their claims, had it not been for the prospect of her speedy absorption in the proposed Union of the British North American Colonies. It would obviously have been improper for the Canadian Government to commence negotiations which they could not hope to complete, or to enter into engagements, the fulfilment of which must fall on the whole Confederated Provinces. At the same time, the Committee beg leave to observe, that if the Company had thought proper to submit for consideration formal proposals for the transfer of their claims, the final settlement of the question would have been greatly advanced.

Recent events serve to shew that in a few months that Union will be effected, and the Committee have no doubt that the Confederate Government and Legislature will feel it to be one of their first duties to open negotiations with the Hudson's Bay Company for the transfer of their claims to the territory. Meanwhile Canada invites the aid of Her Majesty's Government, in discountenancing and preventing any such sales of any portion of the territory as is now applied for.

(Certified,) W. H. LEE.  
C. E. C.

(*Lord Carnarvon to Lord Monck.*)

(Canada.—No. 15.)

DOWNING STREET, 1st August, 1866.

MY LORD,—I have the honor to transmit to you, to be laid before your responsible 17th July, advisers, the accompanying copy of a letter from the Governor of the Hudson's Bay Company, enclosing, in the form of a pamphlet, a letter from the Secretary of the United States Treasury, in answer to a Resolution of the House of Representatives, calling for information in regard to commercial relations with British America.

I have, &c.,

(Signed,)

CARNARVON.

Governor

The Right Honorable Viscount Monck,  
&c., &c., &c.

(Sir E. Head to Sir F. Rogers.)

(Copy.)

HUDSON'S BAY HOUSE,

London, 17th July, 1866.

SIR,—I have the honor to enclose, for the information of the Right Honorable the Secretary of State, a copy of a pamphlet which I received on the 12th instant.

This pamphlet purports to be a report addressed to the Secretary of the Treasury of the United States, and it contains certain statements, to which the Committee of the Hudson's Bay Company desire to call the special attention of the Earl of Carnarvon.

At page 26 the following passage occurs:—

"Twenty years later, in 1865, the American territory of Montana adjoins the region which excited the enthusiasm of DeSmet. Its population of 25,000, to be increased during 1866, to 50,000, have been drawn to the sources of the Missouri, by discoveries of gold and silver mines close to the international border, and rumors of gulches and ledges in the Saskatchewan District, yielding even greater prizes to the prospector, are already rife, and will soon precipitate a strong, active and enterprising people into the spacious void. What is called the 'Americanization' of the Red River settlements has been slow, although sure, since the era of steam navigation, but the Americanization of the Saskatchewan will rush suddenly and soon from the camps of treasure-seekers in Montana."

You, Sir, are aware of the correspondence which during the last three years has passed between myself as Governor of this Company and the Colonial Office, on the subject of establishing in the Hudson's Bay Territory some government administered in the name of Her Majesty. You know also that Mr. Cardwell decided to offer to Canada, an option of acquiring the rights of this Company, and that so far back as the 1st of March last I ventured respectfully to ask the question (which has not yet been answered) how long this option was to remain open.

In a letter addressed to me by Mr. Forster, and dated the 20th February last, we were told:—

"Having regard to the reference you have made in your letter, to the probable concurrence of Her Majesty's Government in the establishment of some new government, Mr. Cardwell is desirous of reminding you, that at the conferences which took place during last summer between the Canadian Ministers and certain Members of Her Majesty's Government, the Provincial Ministers expressed their desire that the North-Western territory should be made over to Canada, and they undertook to negotiate with the Hudson's Bay Company for the termination of their rights, on condition that the indemnity, if any, should be paid by a loan to be raised by Canada, under the Imperial guarantee. To this proposal Her Majesty's Ministers assented, engaging that if the negotiation should be successful, they, on the part of the Crown, being satisfied that the amount of the indemnity was reasonable and the security sufficient, would apply to the Imperial Parliament to sanction the arrangement and guarantee the amount.

"Until this arrangement shall have been disposed of, it will be necessary for Her Majesty's Government to keep it in view in any steps which they may be called upon to take in the matter."

Under these circumstances, it is clear that the Company thus cautioned, can take no steps of themselves to meet any inroad or immigration within their territory, if it be on their territory that it will first take place—a point to which I shall afterwards revert.

Indeed the powers of the Charter were probably not given to be used for any such purpose, but if they were sufficient for such an emergency, our hands are at the present moment tied by Mr. Forster's letter.

We think, therefore, that we are the more bound most respectfully to suggest whether, if it is intended to retain the territory north of the 49th parallel as British soil, some steps ought not to be taken for asserting its British character, and maintaining law and order within it.

This may, no doubt, either be effected by the direct action of the English Gov-

ernment, or be attempted by the agency of Canada; but as we understand the latter course to have been deliberately selected, the Committee, (provided this Company are fairly dealt with in the matter of compensation,) can have no right to offer any remarks on the subject.

In the face, however, of the confident predictions and statements contained in this report to the Secretary of the United States Treasury, we should not be justified if we failed to point out the necessity of speedy action of some kind.

With regard to the particular strip of country where the first overflow of settlers or miners may be expected from the United States territory of Montana, I think it probable that the Hudson's Bay Company have no immediate interest or responsibility connected with it. So far as I can judge from the imperfect maps accessible to us, I believe that on the north of Montana there is a narrow belt running along the 49th parallel, watered by streams, which fall not into Hudson's Bay but into Milk River, a tributary of the Upper Missouri. If this be so, this strip of land though British ground, as being north of the 45th parallel, is not included in the grant made by the Charter of Charles II. to the Hudson's Bay Company.

I have, &c.,

(Signed,)

EDMUND HEAD,

Governor.

Sir Frederic Rogers, Baronet,  
&c., &c., &c.

(Copy.—No. 124.)

*Lord Monck to Lord Carnarvon.*

GOVERNMENT HOUSE,

Ottawa, 18th August, 1867.

MY LORD,—I have the honor to acknowledge the receipt of your Despatch (No. 15) of the 1st instant, transmitting copy of a letter from the Governor of the Hudson's Bay Company, respecting the proposed purchase, by the Canadian Government, of the territorial rights of that Company.

I shall not fail to bring before my advisers your Lordship's Despatch and enclosure; but I wish to remark, for your information, that this is one of the subjects upon which it is considered undesirable to decide, pending the discussion of the Union of the Provinces of B. N. A.

As the completion of that Union may now be looked for at an early day, I trust the solution of the difficulties which surround the position of the Hudson Bay Company may also soon be attempted.

I desire to make this statement, in order to explain to Your Lordship, by anticipation, any delay which may occur in answering your Despatch.

I have, &c.,

(Signed,)

MONCK.

The Right Hon. the Earl of Carnarvon,  
&c., &c., &c.

*Lord Carnarvon to Lord Monck.*

(Copy.—Canada. No. 48a.)

DOWNING STREET,

8th September, 1866.

MY LORD,—I have the honor to acknowledge the receipt of Your Lordship's Despatch, No. 124, of the 18th August, stating that the purchase, by the Canadian Government, of the territorial rights of the Hudson's Bay Company is a subject upon which it is undesirable to decide, pending the discussion of the Union of the North American Provinces.

30th August, 1866. I transmit to you, for your information, and with reference to that Despatch, a copy of a further letter which I have received from the Company, reporting acts of violence and plunder, on the part of the Indians, on the Saskatchewan and Red River.

I have, &c.,

(Signed,)

CARNARVON.

Governor

The Right Hon. Viscount Monck,  
&c., &c., &c.

(Copy.)

*Sir Edmund Head to Sir F. Rogers.*

HUDSON'S BAY HOUSE,

London, 30th August, 1866.

SIR,—In my letter of July 17th, addressed to you, I observed that the Committee of the Hudson's Bay Company felt themselves bound again to suggest whether, if it is intended to retain the territory north of the 49th parallel as British territory, some steps ought not to be taken for asserting its British character and maintaining law and order within it.

The enclosed extract from recent despatches from the acting Governor of Rupert's Land, Mr. William Mactavish, unfortunately confirms the views already expressed. I ought to add that these inroads of the wilder tribes of Indians are, to a great extent, the result of a new state of things; that is to say, the partial but rapid settlement of new territories south of the 49th parallel, and consequent interference with these savages on the part of the United States troops and settlers.

Sir Frederic Rogers, Bart.,  
&c., &c., &c.,  
Colonial Office.

I have, &c.,  
(Signed,)

EDMUND HEAD,  
Governor.

(Copy.)

*Extract of Letter from Governor Mactavish to Thomas Fraser, Esq., Secretary, dated Fort Garry, Red River, 31st July, 1866.*

"I regret to have to inform you that events both here and at Saskatchewan of a most serious nature have occurred, a band of Saultaux from Red Lake having set upon and murdered four Sioux of a party who had visited this place, within sight of Fort Garry, and being American Indians, the culprits at once withdrew within the American lines. This created great excitement in the settlement for some time, which has now very much died away, as nothing has been since heard from the Sioux, but will doubtless revive as soon as it is known that a party of them mean to come here. Some of the Indians belonging to the settlement were spectators of the murder and afterwards mutilated the bodies of the murdered. This has excited in the minds of the half-breeds a very strong feeling against the Indians of the settlement, and together with a disposition on the part of the latter to be turbulent may lead to future acts of violence. Indeed, to this I attribute the death of an Indian whose abdomen was cut open by a half-breed within the walls of this fort a few days before my return. The Indian died of the wound and the half-breed is now in gaol awaiting his trial for murder at the August quarterly Court. No attempt has as yet been made to set him free, but many are of opinion that the attempt will yet be made, and in the circumstances in which the Government here is placed, will, if made, probably be successful, as for some time past the Government may be said to have existed on sufferance.

"At Fort Pitt, on the Saskatchewan, a band of about 200 Blackfeet came in on a trade in the early part of June, and while they were trading a number of them forced the inner gates and went into the men's houses whence they took the men's property which they wished, there being only five men in the establishment at the time. The Indians, however, did not then take any of the Company's property. On their way off they unfortunately met a small party of the Company's people returning from the plains with meat for the establishment. The Indians fired at the men, took eight horses and everything they wished from the carts; but fortunately all the men made their escape to Fort Pitt. Shortly afterwards, Mr. Donald Macdonald, a Clerk in the Company's service, was fired at and badly wounded, close to Carleton. When I last heard, Mr. Macdonald was doing well, but he has had a very narrow escape, as the ball fired at him ripped his side and passed through the upper part of his arm. No cause is assigned for those acts, but it is feared the Blackfeet have made up their minds to be troublesome and are likely to commit more acts of violence. Mr. Chastellain was to go to the Blackfeet camp and demand the surrender of the horses and property taken at Fort Pitt."



*Lord Carnarvon to Lord Monck.*

(Copy—Canada, No. 74.)

DOWNING STREET, 29th September, 1866.

MY LORD,—I have the honor to transmit to Your Lordship, the enclosed copy of a letter from Mr. Spence, dated from Montreal, asking some questions about the Hudson's Bay Territory. It would have been more regular that Mr. Spence should have sent his letter through you, but it appears by the conclusion of his letter that he was on the eve of departing for the Red River Settlement.

Your Lordship may inform him in answer to the two questions which he proposes, that no new arrangements relative to the Hudson's Bay Company are possible, pending the discussions on the proposed Confederation of the British North American Provinces, and that as to erecting the Red River Settlement into a Colony, no official decision has been adopted.

I have, &c.,

(Signed,)

CARNARVON.

Governor

The Right Honorable Viscount Monck,  
&c., &c., &c.

(Copy.)

*Mr. Spence to the Earl of Carnarvon.*

MONTREAL, CANADA EAST, 13th August, 1866.

MY LORD,—I have taken the liberty of addressing Your Lordship on a subject which has been frequently brought before the notice of the Government, and your predecessors in office, viz.: in part, that of the "Selkirk" or Red River Settlement, in the territory at present known as the "Hudson Bay Territory," and presuming on Your Lordship's familiarity with the immense and attractive resources of the soil and climate of that great valley of Lake Winnipeg—the rivers of which drain an area exceeding 350,000 square miles of rich arable land. It is unnecessary to enter into details.

Being about to proceed, in company with several other Canadian gentlemen of capital, to that territory, with a view to settlement there, and induce a system of immigration, we have deemed it advisable to communicate with Your Lordship for certain information in consequence of the present peculiar position of that Territory, viz:—

1st. If the Hudson's Bay Company still retain the same power as formerly with regard to tenure of land, &c.

2nd. The probability of the Crown, at an early date, creating the Territory a Colony of British North America, in order that it may share in the grand Confederation of the Provinces.

Of the importance of this I would most respectfully refer Your Lordship to the official narrative of the "Canadian Red River, Assiniboine and Saskatchewan Expedition" of '57 and '58, by Professor Hind, published by Longman, Green & Co., London, 1860.

Great as has been the success which has attended the creation of British Columbia into a Crown Colony, I would only humbly observe, that the general opinion of those practically acquainted with the great agricultural resources of that beautiful and extensive country is, that as a Crown Colony its success and prosperity would exceed that of British Columbia, and would be the first step to develop its attractions to the enterprising emigrants of the world, and further secure an everlasting British Empire from the Atlantic to the Pacific.

I have to ask Your Lordship's pardon, for thus encroaching upon your valuable time; the only apology I can offer, is the importance to us of Your Lordship's reply.

I have, &c.,

(Signed,)

THOS. SPENCE.

The Right Honorable the Earl of Carnarvon.

P.S.—As we leave here in a few days, Your Lordship's reply is respectfully requested, to be addressed to me,

Red River Settlement P. O.,  
H. B. Co. Territory,  
B. N. America.  
Care of W. Scott, Esq.,  
Box 305, Montreal, C. E.

(Copy.)

GOVERNOR'S SECRETARY'S OFFICE,  
Quebec, 20th October, 1866.

SIR,—I am directed by the Governor General to transmit to you herewith a copy of a despatch from the Secretary of State for the Colonies, in reply to the letter  
No. 74,  
Sept. 29th. which you addressed to Lord Carnarvon on the 13th August last.

I have, &c.,  
(Signed,)

DENIS GODLEY,  
Governor's Secretary.

Thomas Spence, Esq.,  
Red River Settlement P. O.,  
H. B. Co. Territory,  
B.N.A.

Care of W. Scott, Esq.,  
Box 305, Montreal, C.E.

*Sir J. Michel to Lord Carnarvon.*

(Copy.—No. 22.)

MONTREAL, 11th February, 1867.

MY LORD,—The accompanying Memorial to Her Majesty, adopted at a Public Meeting of the inhabitants of the Red River Settlement, has been sent to me, with a request that I would transmit it to your Lordship.

I have, &c.,  
(Signed,)

J. MICHEL.

The Right Hon. the Earl of Carnarvon,  
&c., &c., &c.

*Sir J. Michel to Lord Carnarvon.*

(Copy.—No. 30.)

GOVERNMENT HOUSE,  
Montreal, 22nd February, 1867.

MY LORD,—In my despatch, No. 22, of the 11th February, I transmitted to Your Lordship a Memorial from the inhabitants of the Red River Settlement to Her Majesty the Queen, praying that their Territory should be made a Crown Colony. The question of the expediency either of such a change as they desire, or of the union of the Red River Settlement to Canada having thus been brought under my notice, I have thought it my duty to state my views on the subject, for your information, and I have accordingly drawn up the enclosed Memorandum, which I have now the honor to submit to Your Lordship.

I have, &c.,  
(Signed,)

J. MICHEL,  
Lieut. General.

he Right Hon. the Earl of Carnarvon,  
&c., &c., &c.

(Copy.)

MEMORANDUM ON RED RIVER SETTLEMENT.

EXTRACT from a despatch (No. 95) from the Right Honorable the Secretary of State for the Colonies to the Governor General, dated 17th June, 1865.

"On the fourth point, the subject of the North-Western Territory, the Canadian Ministers desired that that territory should be made over to Canada, and undertook to negotiate

with the Hudson's Bay Company for the termination of their rights, on condition that the indemnity (if any) should be paid by a loan, to be raised by Canada under the Imperial guarantee. With the sanction of the Cabinet we assented to this proposal, undertaking that, if the negotiation should be successful, we, on the part of the Crown, being satisfied that the amount of the indemnity was reasonable and the security sufficient, would apply to the Imperial Parliament to sanction the agreement and to guarantee the amount."

1. By this extract it appears that the Canadian Government is willing to negotiate for the acquirement of the rights of the Hudson's Bay Company, on certain conditions.

2. As Canada negotiates to take over the territory of the Company, *under the protection of Great Britain*, so it is expedient to consider what means the territory has of protecting itself from American encroachment, and what power Canada or Great Britain may have of aiding it to resist such encroachment; and, finally, what probability there is of such encroachment being made.

3. To understand this matter, the position of the Americans nearest the frontier, as also that of the Hudson Bay settlers at Fort Garry, must be considered.

4. The nearest American post is at St. Paul's, some 430 miles from Pembina, the border British settlement. This latter place is 70 miles from Fort Garry.

American position. The whole route is open prairie.

The American system of Railways has as yet only extended to La Crosse, about 270 miles from St. Paul's, and as from St. Paul's the advance by settlers towards the frontier is but slow, so it may be some years before a railroad reaches Pembina.

5. The Red River Settlement at Fort Garry, the present capital of the Hudson's Bay Company's possessions, and their grand entrepot, consists of about 10,000 inhabitants. The men being a race of hardy hunters, well accustomed to the use of arms and each of them possessing gun or rifle. They are moreover accomplished horsemen.

They are reported to be a semi-barbarous race, but would no doubt fight well against an invading force, and at great advantage, from their habits of life and their knowledge of the country.

6. The settlement may also at present reckon very largely for its defence on the assistance of the Indians, who from the faithful dealings of the Company with them, have learned to put faith in the British name, and from this cause, and also from their hatred of the Americans would be trustworthy allies.

This state of things, however, may not last.

At present the Indians are protected from themselves by the prohibition and consequent absence of ardent spirits, except in such small quantities as can be surreptitiously introduced, and unfair dealing on the part of traders is also prevented by the system of barter rigorously enforced by the Hudson's Bay Company.

But it appears probable, that if the rule of the Company is terminated by the union of its territory to Canada, partial freedom of trade leading to extreme license (with its concomitant evils to the unfortunate Indian) will be introduced, unscrupulous traders will then, soon, by their dishonest dealings, destroy, in the minds of the Indians, that feeling of attachment to England which at present would render them her faithful allies, and thus would lay them open to American seduction. In such case the Red River Settlement would be easily approached by a limited American force.

Routes to Fort Garry. 7. Three routes are at present used to Fort Garry.

1st. From Hudson's Bay at York.

By this route of 700 miles the furs, except Buffalo skins, are sent to England, and through York provisions are brought to supply all the Northern Trapper's Posts, but as this Bay is only open for about six weeks in the year, this port may be reckoned for general trade or defence purposes, useless.

2nd. From the head of Lake Superior, at Pidgeon's Bay.

This is a complete water-course of 700 miles, but so replete with rapids and consequent long portages, and so beset with natural difficulties as to make the construction of a water-communication by this line a matter of much difficulty, and at an expense that would probably be so enormous, as to render the adoption of this route almost out of the question.

The 3rd route is by the beaten track through the Prairies, from Fort Garry to St. Paul's. Its whole length, except the first seventy miles, being through American territory.

By this road, at present, all the buffalo skins are exported.

It may here be remarked, that in case of necessity, Fort Garry can supply itself with provisions.

8: The result of this examination shows, that in the event of war, as Lake Superior would be held by the United States Navy, Fort Garry is effectually isolated from Canada, and that in any case, until canals or railways are constructed, the United States possess the only channel through which all the trade of the Red River settlement must pass.

9. With regard to the future can the Red River Settlement be released from this dependence on the United States? This question cannot be satisfactorily answered until the country between Fort Garry and Lake Superior has been well surveyed.

According to what is known at present, water communication appears almost impossible.

One route, that from Pidgeon Bay, has been already discussed, but even were it practicable, the fact that it is close to the United States territory would render it useless for defensive purposes.

There is another water communication possible, commencing at Fort William, but here again the difficulties of the first 50 miles are almost insurmountable.

10. Then as to Railways—A railway might probably be constructed from Pidgeon Bay north of the water communication, but this would be too close to American frontier.

A second, which is not liable to the last objection, might perhaps be projected from Fort William; but here there are vast natural difficulties. 1st, A rise of 800 feet in the first 50 miles. 2nd, 100 miles sterility and swamp, unfit for settlement.

11. The following conclusions are therefore arrived at:—

1st. That at present the channel of all the trade to and from the Red River Settlement is in the hands of the United States.

2ndly. That it is doubtful whether a water communication, safe for defensive purposes, can ever be made from the Settlement to Lake Superior.

3rdly. That until thorough surveys are made the possibility of the construction of a remunerative line of railway to Lake Superior cannot be estimated.

4thly. That even supposing a water communication or a railway were opened from Fort Garry to Lake Superior, all use of it in time of war would be impossible, unless a British gunboat fleet could enter that lake. This entrance could not be effected until the Ottawa and French River navigation to Lake Huron is opened, nor even then till a canal is constructed on the British side of the Sault Ste. Marie.

It is, however, reported that this latter work would be attended with no difficulty, and with but trifling expense, as it would not exceed a mile in length, but it must be recollected that such a canal would lie close to the American frontier, and that its destruction could not be prevented in winter, in case of hostilities with the United States, without a strong military force to hold it.

On a careful consideration of the whole question, the opinion I have formed is, that until a safe communication for military purposes is completed between Canada and Fort Garry, either the union of the Hudson's Bay Territory to Canada or the creation of a Crown Colony at the Red River Settlement would be a source of weakness and danger, both to Canada and England.

(Signed,)

J. MICHEL,  
Lt. General.

20th February, 1867.

*Copy of a Report of a Committee of the Honorable the Executive Council, approved by His Excellency the Administrator of the Government, on the 18th June, 1867.*

The Committee have had under consideration the annexed Memorandum of the Honorable the Commissioner of Crown Lands, on the subject of constructing a line of road from Thunder Bay to Dog Lake, and thence to Savanne River, for which an approximate estimate has been submitted by Mr. Simon Dawson, C.E., who had charge of the exploring

party despatched to Red River in 1858-9; and they respectfully report their concurrence in the recommendation made by the Commissioner in his said annexed Memorandum, and submit the same for Your Excellency's approval.

Certified...

W. H. LEE,  
C.E.C.

(Copy.)

The Commissioner of Crown Lands has the honor to submit to Your Excellency in Council, that in the year 1859, the section of country between Lake Superior and Dog Lake was thoroughly explored by Provincial Land Surveyors Lindsay, Russell and J. F. Gaudet, under the command of Mr. Simon Dawson, Civil Engineer, and a fair line of road marked out (shewn on the accompanying tracing), from Thunder Bay to Dog Lake, a distance of twenty-five miles.

2. It is reported to the Commissioner of Crown Lands, that this line was well marked out, and having been for some time used as a mail route, will not be difficult to trace, the bridging will be inconsiderable, and a good wagon road may be constructed for about fourteen hundred dollars a mile.

3. The outlet of Dog Lake presents facilities for raising the waters thereof from seventeen to twenty feet, by means of dams across the two channels into which the outlet is divided—which increased elevation the banks of the Lake will, it is reported to the Commissioner, admit of. It is estimated that the necessary dams could be constructed for \$6,000. The effect of the work would be to render Dog River navigable for craft drawing, 6 feet of water as far as Jourdain's Rapid, about 37 miles by the windings of the river, or 20 in a direct line from Dog Lake.

4. From Jourdain's Rapid, on Dog River, to the Depot, on Savanne River, is in a direct line eight miles and three-quarters, and forms the height of land, dividing the waters which run to Lake Superior from those flowing to Lake Winnipeg. A good wagon road could be constructed for \$900 a mile; but as it would have to pass about two miles beyond the Depot, the distance must be reckoned at eleven miles.

5. The drift flood-wood in the Savanne River would require to be cleared out, at a probable cost of \$1,000.

6. The total cost to reach the waters of the Savanne River would be, therefore, as follows:—

Thunder Bay to Dog Lake, 25 miles, at \$1,400 a mile.....	\$35,000 00
Dams at the outlet of Dog Lake .....	6,000 00
Jourdain's Rapid to Depot on Savanne River, 11 miles of road at \$900 a mile .....	9,900 00
Savanne River, clearing out floodwood in.....	1,000 00

\$51,900 00

Superintendence and Contingencies..... 4,000 00

\$55,900 00

7. The above is the approximate estimate of Mr. Simon Dawson, C.E., who was in command of the Red River Exploring Expedition in 1858-9, and who now reports to the Commissioner of Crown Lands that he believes the necessary works, of suitable character and strength, can be constructed for the sums named; and that the materials, as well stone as wood, required therefore, can be readily procured in the neighborhood of the works, with hardly any transportation that cannot be done in scows, constructed on the spot.

8. The result of the improvements above estimated for, would be that 120 miles of the route, from Lake Superior to Red River, would be thrown open, giving easy access to Lac des Mille Lacs, the western extremity of which is within 70 miles of Rainy Lake, from whence the navigation is uninterrupted (save by a short portage at Fort Francis) to the north-west angle of the Lake of the Woods, a point distant about 90 miles from Fort Garry.

9. The Colonization Road Fund of Upper Canada, has a sum at its credit from Parliamentary votes, sufficient to meet the expenditure contemplated by this Memorandum, in case Your Excellency in Council should deem it expedient for the present to devote it to this object, on the assumption that the amount now expended will form a claim upon the new Dominion of Canada, and that proper accounting shall be had between the present Pre-

vinces of Upper and Lower Canada, as to the sum now taken from the Colonization funds of Upper Canada, for general purposes, the equivalent votes for Lower Canada having been heretofore therein expended.

10. The Commissioner of Crown Lands humbly recommends to Your Excellency, that the course above suggested be adopted, and that the improvements described be immediately undertaken, and carried out during the present season.

(Signed,)

A. CAMPBELL,  
C. C. L.

Crown Lands Department,  
14th June, 1867.

*The Duke of Buckingham to Lord Monck.*

(Copy—Canada, No. 76.)

DOWNING STREET, 23rd August, 1867.

MY LORD,—I have the honor to transmit to you, a copy of a letter, with its enclosure, 12th July, 1867. from the Hudson's Bay Company, together with a copy of the reply which I have caused to be returned to it.

The question of the Hudson's Bay Territory is rapidly becoming urgent, and if delayed much longer may give rise to serious difficulty.

No time should, therefore, be lost in deciding on the course of action to be pursued by Canada.

I have, &c.,

(Signed,) BUCKINGHAM & CHANDOS.

Governor

The Right Honorable Viscount Monck.

*The Secretary of the Hudson's Bay Company to Mr. Elliot.*

(Copy.)

HUDSON'S BAY HOUSE,

London, July 12th, 1867.

SIR,—I am directed by the Governor and Committee of the Hudson's Bay Company to transmit to you, for the information of His Grace the Duke of Buckingham and Chandos, the accompanying letter, addressed to me by Governor Mactavish, dated Fort Garry, May 29th, 1867, on the subject of mining operations in the Saskatchewan District.

I have, &c.,

(Signed,)

J. G. SMITH,  
Secretary.

T. Frederick Elliot, Esq.,

&c., &c., &c.,

Colonial Office.

*Extract of private letter from Governor Mactavish to W. G. Smith, Esq., Secretary, Hudson's Bay Company, dated Fort Garry, 29th May, 1867.*

(Copy.)

"It appears there are a great many miners prospecting in Saskatchewan this summer, and a strong feeling of confidence exists that a strike will be made: if so, the whole of the district will be crowded with miners, as it appears in a few days they can get to Jasper's from the Big Bend of the Columbia, where the miners are very numerous, then from the Minomis crowds may be expected. It all, however, depends upon gold being found; but a very slight success will suffice. Mr. Christie tells me that one miner showed him, privately, about £50 worth of gold he had got in a day or two's working near the Rocky Mountain House, but he could not remain at work for want of provisions."

*Mr. Elliot to Mr. Smith.*

(Copy.)

DOWNING STREET, 23rd August, 1867.

SIR,—I am directed by the Duke of Buckingham and Chandos to acknowledge your

letter of the 12th ultimo, with its enclosure, on the subject of mining operations in the Saskatchewan District.

I am desired to thank the Governor and Committee of the Hudson's Bay Company, for this communication.

I am also desired to state that the Duke of Buckingham and Chandos would be glad to be informed in what manner the Company are prepared to deal with the influx of population which is to be expected if the difficulty of supplying provisions should be overcome.

I have, &c.

(Signed,) T. F. ELLIOT

W. G. Smith, Esq.,  
&c., &c., &c.

DEPARTMENT OF CROWN LANDS,  
PROVINCE OF ONTARIO,  
Toronto, 4th October, 1867.

To the Honorable S. Richards,  
Commissioner of Crown Lands.

SIR,—I have the honor to report to you my return from Thunder Bay, on Lake Superior, whither I had been directed to proceed by the former Commissioner of Crown Lands, the Hon. Alex. Campbell.

My instructions from the above named Minister directed me to organize and supply a party of laborers, with overseers and assistants, for the purpose of commencing and forwarding a scheme of works, intended to open a regular transit line of communication between Thunder Bay, on Lake Superior, and Fort Garry, on the Red River, estimates and appropriations having been made for the above work, as far as the Savanne River, amounting to \$55,900.

My instructions further directed me to operate in concert with Mr. S. J. Dawson, who was charged specially with the construction of the dams necessary to raise the waters of Dog Lake and River, in order to complete the first navigable reach upon the said waters.

Mr. Dawson was decided to organize his own party, consisting of some 21 men, with the necessary foremen. My party for the road work, numbering some 50 men, all included, were principally secured from Penetanguishene. We left Toronto, with the necessary supplies and equipments, on Tuesday, the 6th day of August, *en route* by Collingwood per rail and steamboat for Fort William, at which latter place we arrived, without loss or accidents, on Saturday, the 10th August, and landed all our stores on the same day, having made temporary provision and shelter for our own men and goods.

On Monday, the 12th, after organizing the gangs, we equipped and started the Dog Lake Dam party, who proceeded under charge of Mr. Dawson, in the three large North-West canoes up the Kamanistiquia River.

The road party I organized the same day, and commenced active operations forthwith. Some five or six men were drawn from the party to prepare timber and commence the building of a store-house for the more perfect preservation of the provisions and stores, while all the rest were systematically detailed in working gangs for the construction of the road.

My first care was to examine carefully the line located in 1859 by P. L. Surveyors Russell and Gaudet, and I am happy to be able to say that so far as the road-work has been proceeded with, we have succeeded in improving the site thereof to a very considerable extent by lateral deviations, without at all increasing the length of it.

There are a few short sections, chiefly near the commencement of the road, which have been expensive and difficult to make, nevertheless they now form some of the best and most permanent portions of the road work.

The work has been vigorously pushed up to the present period, and has extended to completion over about four miles, and by the end of the present month will, I think, amount to the construction of six miles of an excellent turnpike road.

The line in the first instance has been cleared thoroughly to a width of 66 feet. Twenty-four feet in the centre of this opened belt has been carefully grubbed of all roots and stones.

The turnpike is formed in the centre of the grubbing, 16 feet wide—with well opened side ditches, save where it traverses, ridges or elevated and dry sections, where one road bed is simply cleared, grubbed, and formed with a sound and even surface.

Upon the distance alluded to, over which the present works extend, there are about

forty chains of facine work, crossing some peculiar, boggy swamps which could not be avoided without much increasing the length of the road and rendering it absurdly circuitous.

This work, difficult and expensive at all times, has been exceedingly so in these instances, owing to the almost total lack of timber suitable for a substratum for the brushwood.

The distance necessary to carry material for the above purpose, over spaces impassible for oxen or horses much increased the manual labor, and retarded the work.

All impediments, however, have been overcome and the facine road work forms a portion of the very best roadway constructed.

I have directed the party to return on the last of the present month, as the steamer will make but one trip in the month of November, and the date and time thereof is very uncertain, I judged it better to close the works as stated, rather than run any risk of a more expensive result by continuing the labor a few days longer. When the road party shall have returned and Mr. Dawson has reported the operations under his charge, I shall have the honor of submitting a final and complete report of the work of the season.

In the meantime, I feel it my duty to offer to your notice a few observations having reference to the character and capabilities of the country adjacent to the Dog Lake road.

And first, with reference to the agricultural quality of the soil, I was agreeably surprised to find the same much better than I had anticipated.

Generally speaking the earth is of a loamy character, often underlaid with a gravelly substratum overlying a clay subsoil; but there are considerable sections, to be seen on the line of road where a good clay soil predominates. Excellent crops of all kinds of spring grain and roots can be raised, of which fact proofs are not wanting at the Hudson's Bay Company's Post at Fort William, and at the few small improvements which have already been made upon the line of road and in its vicinity.

Another very encouraging feature which presents itself is the almost entire absence of surface boulders and out-cropping fixed rock. Of course there are places upon the hills and along ridgy elevations when exposed rock is found, but generally the whole surface is hidden with a good deposit of soil.

Even in the boggy swamps which have been alluded to in this report, after passing through the moss and debris deposit underlying it, there is to be found frequently a stoneless bed of argillaceous soil.

From these observations of the favorable nature of the soil, I beg to suggest that a line of lots be laid off on either side of this road, of the usual dimensions, viz., 20 chains in width, by 50 chains in depth, containing each 100 acres.

These lots, I would further suggest, should be given to settlers on the following conditions: 100 acres to each actual settler of the age of 21 years, actual occupation and settlement to take place within three months subsequent to grant being made, no lots, in any case, to be reserved for a longer period. Every lot so granted remaining beyond the above period unoccupied by the grantee, to be declared forfeited.

Each settler to clear five acres of land during the first year's occupation on the front of his grant adjoining the road, and to remove from the road now made, or to be made, all obstructions (arising from fallen trees or any other cause) over one-half of the line thereof in front of his lot. Each settler to receive a Location-right Certificate at the time of proof of actual settlement, and a patent in fee simple at the expiry of the first year, having duly complied and then being in compliance with the regulations as herein set forth.

No conditions beyond the above to be imposed.

In this manner I apprehend this whole road line may be settled in the course of two years, with valuable settlers affording not only protection and assistance to travellers, when the road shall have been opened throughout, but also a class of available laborers for the prosecution of further necessary works upon the route.

The adjoining country abounding in the richest mineral deposits of lead and silver, I would also suggest should be immediately surveyed by Government into mineral lots of 400 acres, and sold by auction one year after survey. The system of survey of these latter lots should be in accordance with that already begun and on which some patents have already issued. The lots should by all means be put up to public auction and competition, and sold to the highest bidder. In this manner I am satisfied this im-



portant region of country would be forthwith developed. Again, another necessary suggestion I have to make is this, that two large and substantial steamers be chartered and placed upon the route between Collingwood and Fort William, to make weekly trips between the above points. If this be not done the development of the country will most certainly be greatly retarded.

Indeed, it is scarcely possible to estimate the difference in this respect which would be experienced between a weekly and fortnightly communication. Two boats of adequate size and strength would deliver mail and freight between the above points with ease, certainty and safety, and allow a day at each terminus for preparation and loading.

Another subject which I would bring before your notice, closely allied to that last mentioned, is that of a safe and convenient harbor on Thunder Bay.

Although the bay is almost completely landlocked from the main lake, by points and islands, it is itself of such considerable dimensions as to render it subject to heavy swells when the wind is in-shore.

Nearly the whole north-western coast of Thunder Bay is shelterless, until you reach the north-east end thereof.

The point from whence the road starts, some three miles north-eastward of the mouth of the Kamanistiquia, is quite unprotected by any natural feature of the coast.

For depth of water, it is equal to any point perhaps which could be chosen, as the shores here are generally very low, and inclining to swamp.

Artificial breakwaters, and a substantial wharf could undoubtedly be made to resist the waves and ice-shoves, but they would be secured only by the expenditure of a large sum of money, especially as timber in the vicinity is entirely wanting, and even available stone is not abundant. I would, therefore, only recommend that at the commencement of the road a short substantial wharf be built sufficient to accommodate lighters or small steamers of light draught, which could approach and unload in moderate weather.

For a safe and convenient retreat in heavy weather, I would recommend that the clay bar stretching across the mouth of the Kamanistiquia River be dredged to a sufficient extent to admit steamers of large size, which could then either lie at the Hudson's Bay Company's wharf, at Fort William, or proceed up the river past the Mission, eight miles further, to Point des Meurons. A short branch road from one or other or from both could then be constructed to tap the main line some four or eight or ten miles from its commencement.

These branch roads would not be solely beneficial in rendering the main road available, but would tend also materially to enhance settlement of the country, and to develop other mining tracts in the Township of Nec-Bing, through which, if constructed, they will pass.

Accompanying this Report I append a sketch of the road and its environs, which will illustrate at a glance all the topographical points referred to in my remarks.

All of which is respectfully submitted by

Your obedient servant,

(Signed,) JAS. W. BRIDGLAND,  
Supt. of Col. Roads.



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# SUPPLEMENTARY RETURN

To an Address from the House of Commons, dated 18th Nov., 1867, for Correspondence, Report of Proceedings, and other Documents, in possession of the Government relative to the Hudson's Bay Territory.

By command.

HECTOR L. LANGEVIN,

*Secretary of State.*

DEPARTMENT OF THE SECRETARY OF STATE,

Ottawa, 5th December, 1867.

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TORONTO, 2nd December, 1867.

SIR,—I have the honor to submit my final Report of the season's operations upon the Dog Lake and Thunder Bay Road.

Having, in my former report (which I had the honor of transmitting to you in the month of October last) given a detailed account of the works performed upon the above road down to the 16th September, at which period I left the ground, having given the work into the charge of my chief assistant, Mr. John A. Snow, it only remains for me to inform you of the progress and success of the expedition down to the end of October, when the works were closed and the party returned by the last trip of the Algoma steamer.

I am happy to be able to state that the full amount of work anticipated in my former Report has been accomplished. Six miles of an excellent road have been constructed, of the same description throughout as that related in my former Report, and any reasonable load, say from one to one and a half tons can be safely transported over it.

The Store-house, also spoken of, erected at the Thunder Bay terminus of the route, has been well finished.

All our tools, utensils, and furnishings are snugly and safely stored therein, and I have, with the sanction of the Assistant Commissioner of Crown Lands, left one reliable and capable man in charge thereof.

In addition, also, we have cleared, stumped, and burned three acres of land around the Store-house, and prepared it for early planting with potatoes in the spring, which latter labour will be conveniently performed by the man left in charge, who has instructions to do so. The requisite seed can be procured from the Hudson Bay Post at Fort William, and I have made the necessary arrangement with Mr. McIntyre to this end, and for the wintering of one yoke of the oxen taken up, so that they may be ready for our service another season.

All the party, including the men employed by Mr. Dawson at the Dam work at Dog Lake (with the exception of one man left, as stated above, in charge of the Store-house and Stores, and two who deserted from the works and joined the miners) returned in good health and safety.

With reference to the operations of Mr. Dawson and his party, I cannot speak confidently, as Mr. Dawson has not yet made his Report. Mr. Snow, however, made a trip to the locality, before leaving the work, and informed me that a good deal of timber had been

prepared for the construction of the Dam, and two Barges for the purpose of floating stones and other materials, had been constructed.

In conclusion, I beg leave to remark that, considering all the disadvantages under which we have labored in commencing and carrying on this improvement, we have accomplished, in the short season of two and a half months, a large amount of labor.

The men upon the road works have scarcely averaged forty-five in number, as from forty to five were generally employed in the necessary work of building the Store-house.

Respectfully submitted by,

Your obedient servant,  
(Signed,)

JAMES W. BRIDGLAND,  
*Supt. Col. Roads, Ont.*

The Honorable WM. McDougall, C.B.,  
Minister of Public Works.